
RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2007 AND 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2007 AND 2006

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
River Parishes Community College Foundation, Inc.
Sorrento, Louisiana

We have audited the accompanying statements of financial position of the River Parishes Community College Foundation, Inc as of December 31, 2007 and 2006, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the River Parishes Community College Foundation, Inc, as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Gonzales, Louisiana
August 13, 2008

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2007 AND 2006

ASSETS

	<u>2007</u>	<u>2006</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 73,839	\$ 68,368
Investments	15,501	15,846
Accounts receivable	1,000	-
Total current assets	<u>90,340</u>	<u>84,214</u>
<u>NONCURRENT ASSETS</u>		
Restricted assets:		
Investments	305,208	313,695
Total noncurrent assets	<u>305,208</u>	<u>313,695</u>
Total Assets	<u>\$ 395,548</u>	<u>\$ 397,909</u>

NET ASSETS

<u>NET ASSETS</u>		
Unrestricted	\$ 84,819	\$ 68,368
Temporarily restricted	4,936	15,846
Permanently restricted	305,793	313,695
Total net assets	<u>395,548</u>	<u>397,909</u>
Total Liabilities and Net Assets	<u>\$ 395,548</u>	<u>\$ 397,909</u>

The accompanying notes are an integral part of this statement.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<u>REVENUES, GAINS, AND OTHER SUPPORT</u>				
Contributions	\$ 500	\$ -	\$ -	\$ 500
Scholarships	-	4,000	-	4,000
Golf tournament	18,505	-	-	18,505
Investment earnings	2,640	-	-	2,640
Investment gains (losses)	-	-	1,168	1,168
Membership dues	-	-	-	-
Miscellaneous income	1,000	-	-	1,000
Net assets released from restrictions				
Restricted satisfied by payments				
Scholarships	23,980	(14,910)	(9,070)	-
Total revenues, gains, and other support	46,625	(10,910)	(7,902)	27,813
<u>EXPENSES</u>				
Program services				
Scholarship expense	23,980	-	-	23,980
Supporting services				
Office operations	135	-	-	135
Entertainment	719	-	-	719
Dues and subscriptions	130	-	-	130
Fund-raising	5,210	-	-	5,210
Total expenses	30,174	-	-	30,174
CHANGE IN NET ASSETS	16,451	(10,910)	(7,902)	(2,361)
NETS ASSETS AT BEGINNING OF YEAR	68,368	15,846	313,695	397,909
NET ASSETS AT END OF YEAR	\$ 84,819	\$ 4,936	\$ 305,793	\$ 395,548

The accompanying notes are an integral part of this statement.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2007 AND 2006

	2006			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>REVENUES, GAINS, AND OTHER SUPPORT</u>				
Contributions	\$ -	\$ -	\$ -	\$ -
Scholarships	-	8,000	-	8,000
Golf tournament	12,225	-	-	12,225
Investment earnings	657	-	-	657
Investment gains	-	10,152	8,026	18,178
Membership dues	2,250	-	-	2,250
Miscellaneous income	876	-	-	876
Net assets released from restrictions				
Restricted satisfied by payments				
Scholarships	13,285	(13,285)	-	-
Total revenues, gains, and other support	<u>29,293</u>	<u>4,867</u>	<u>8,026</u>	<u>42,186</u>
<u>EXPENSES</u>				
Program services				
Scholarship expense	13,285	-	-	13,285
Supporting services				
Office operations	472	-	-	472
Professional fees	4,200	-	-	4,200
Travel	1,017	-	-	1,017
Dues and subscriptions	834	-	-	834
Fund-raising	2,747	-	-	2,747
Total expenses	<u>22,555</u>	<u>-</u>	<u>-</u>	<u>22,555</u>
 CHANGE IN NET ASSETS	 6,738	 4,867	 8,026	 19,631
 NETS ASSETS AT BEGINNING OF YEAR	 <u>61,630</u>	 <u>10,979</u>	 <u>305,669</u>	 <u>378,278</u>
 NET ASSETS AT END OF YEAR	 <u>\$ 68,368</u>	 <u>\$ 15,846</u>	 <u>\$ 313,695</u>	 <u>\$ 397,909</u>

The accompanying notes are an integral part of this statement.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Contributions received	\$ 23,005	\$ 24,101
Investment earnings	3,808	18,835
Cash paid for program services	(15,148)	(13,285)
Cash paid for supporting services	(6,194)	(27,787)
Net cash provided by operating activities	<u>5,471</u>	<u>1,864</u>
 <u>NET CHANGE IN CASH AND CASH EQUIVALENTS</u>	 5,471	 1,864
 <u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u>	 <u>68,368</u>	 <u>66,504</u>
 <u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	 <u>\$ 73,839</u>	 <u>\$ 68,368</u>
 <u>RECONCILIATION OF CHANGE IN NET</u>		
<u>ASSETS TO NET CASH PROVIDED</u>		
<u>BY OPERATING ACTIVITIES</u>		
Change in net assets	\$ (2,361)	\$ 19,631
Adjustments to reconcile change in net assets to net cash provided by operating activities.		
(Increase) decrease in accounts receivable	(1,000)	750
(Increase) decrease in investments	345	(10,152)
(Increase) decrease in restricted investments	8,487	(8,026)
Decrease in accounts payable	-	(339)
Net cash provided by operating activities	<u>\$ 5,471</u>	<u>\$ 1,864</u>

The accompanying notes are an integral part of this statement.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations

Organization and Purpose

The River Parishes Community College Foundation, Inc. (the Foundation) is a non-profit corporation which was organized to promote the educational and cultural welfare of the River Parishes Community College, herein collectively referred to as "the College", by accepting contributions for the purpose of providing broader educational advantages and scholarships and aiding research or other designated projects for the benefit of the College.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash Equivalents

The Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Income Taxes

The Foundation operates as a public charity under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes and the excise tax which applies to certain foundations.

Promises to Give

Unconditional promises to give are recognized as revenue in the period received. Promises to give are recorded at their realizable value if they are expected to be collected in one year and at their fair value if they are expected to be collected in more than one year. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. An allowance for doubtful accounts has been established based on management's assessment of collectibility.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies and Presentations (continued)

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are recorded at fair value based on quoted market prices. Dividend, interest, and other investment income are recorded as increases in either unrestricted, temporarily or permanently restricted net assets depending on donor stipulations.

Endowment contributions and investments are permanently restricted by the donor. Investment earnings available for distribution are recorded in temporarily restricted net assets. Investment earnings with donor restrictions are recorded in temporarily or permanently restricted net assets based on the nature of the restrictions. Long term capital gains/losses and unrealized appreciation/depreciation are recorded in permanently restricted net assets. Interest, dividends, and short term gains/losses net of investment fees are recorded in temporarily restricted net assets.

Non-monetary Transactions

River Parishes Community College (the College) provides office space and use of equipment to the Foundation for its use at no explicit charge.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

2. Investments

Investments in debt securities and equity securities with readily determinable fair values are stated at their fair value based on quoted market prices. Investments were comprised of the following at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Money Market Funds		
RMK Select Treasury Money Market CL A	\$ 23,582	\$ 3,399
Balanced Funds		
Vanguard S/T Bond Index- SIG	7,290	-
Fixed Income Funds		
RMK Select Short term Bond Fund CL A	37,912	17,761
Pimco Foreign Hedged Bond Fund A	14,577	17,727
Pioneer Bond Fund CL A	65,746	70,803
RMK Select Intermed Bond Fund CL A	7,091	17,743
RMK Select Fixed Income Fund CL A	42,704	53,214
Equity Funds		
American Cent Large Co Val Fund Inv	15,461	19,277
Federated Kaufam Small Cap Fund	3,604	-
Fidelity Adv Equity Growth FD	-	10,383
Fidelity Adv Divers Intl Fund CL A	11,894	16,449
Pioneer Value Fund CL A	3,596	19,306
Pioneer Oak Ridge Large Cap	22,659	-
Pioneer Value Fund Class A FD	15,511	-
RMK Select Growth FD A	22,675	29,725
RMK Select Value Fund A	7,778	10,503
RMK Select Mid Cap Value FD A	3,618	13,395
RMK Select Mid Cap Growth FD A	3,642	13,339
Templeton Foreign Fund A	11,369	16,517
Total	<u>\$ 320,709</u>	<u>\$ 329,541</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Interest and dividends	\$10,390	\$9,329
Realized gains	3,627	4,630
Unrealized gain (loss) on investments	(8,915)	8,026
Investment fees	(3,934)	(3,807)
Total investment return	<u>\$1,168</u>	<u>\$18,178</u>

RIVER PARISHES COMMUNITY COLLEGE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

3. Concentration of Credit Risk

The Foundation maintains two bank accounts. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Cash at both of these banks were secured by Federally insured limits at December 31, 2007 and 2006.

4. Net Assets Released From Donor Restrictions

Net assets were released from donor restrictions by satisfaction of the restricted purposes or by occurrence of other events specified by the donors during the years ended December 31:

	<u>2007</u>	<u>2006</u>
Scholarships-General	\$ 14,910	\$ 13,285
Scholarships- Handicapped students	<u>9,070</u>	<u>-</u>
	<u>\$ 23,980</u>	<u>\$ 13,285</u>

5. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2007 and 2006, are available for scholarships to support River Parishes Community College in the following areas.

	<u>2007</u>	<u>2006</u>
Scholarships	\$ 3,721	\$ 14,631
Athletics	308	308
Educator's conference	<u>907</u>	<u>907</u>
	<u>\$ 4,936</u>	<u>\$ 15,846</u>

6. Permanently Restricted Net Assets

Permanently restricted assets consist of the Solomon B. Agy Scholarship Fund. The earnings from the endowment fund can be used to award scholarships and financial aid to handicapped students for tuition, books, supplies, room, board, medical expenses and related physical equipment and technical devices.